

SUMMARY OF PROPOSED SUBSTANTIAL CHANGES AND CLARIFICATIONS TO ACTION PLAN AMENDMENT No. 1  
FOR FY 2006 CDBG DISASTER RECOVERY FUNDS

August 7th, 2006

The Office of Community Development and the LRA have developed the proposed substantial changes and clarifications to the Community Development Block Grant (CDBG) Action Plan Amendment No. 1 published on April 6, 2006 (hereinafter referred to as the April 2006 Action Plan) that described *The Road Home* Housing Programs. Since the publication of the April 2006 Action Plan, Congress has appropriated additional monies to fully fund the program. In order to satisfy HUD requirements, this substantial amendment is necessary to clarify the purpose of the Road Home Homeowner Assistance Program. This substantial amendment is intended to clarify certain activities described in the April 2006 Action Plan. *The Road Home* Plan is designed as a compensation program. Funds provided to homeowners are for compensation for losses incurred due to Hurricane Katrina and Hurricane Rita, and homeowners can elect how best to use the funds to compensate them for their losses. After certain deductions, the homeowner has complete discretion as to use of grant funds, as allowable by State and Federal law, as they work through their personal disaster recovery situation. The program shall not require the homeowner to repair, rebuild, relocate or sell his/her home; such decisions shall be made by the Homeowner.

In addition, several clarifications have been made relative to the formula for computing compensation, which are more favorable to the homeowners. Other minor clarifications have been made relative to the affordable compensation loan. Only homeowners with limited access to private capital (those with income below 80% of median income) are eligible for the affordable compensation loan. The affordable compensation loan is intended to provide assistance to help a low income family meet their financial obligations following their losses in the wake of Hurricane Katrina or Hurricane Rita.

Copies of the proposed substantial amendment to Amendment No. 1 will be available for distribution and may be requested in writing or by telephone (225) 342-7412 from the OCD/DOA. This action plan amendment will also be made available today on the internet at [www.LouisianaRebuilds.info](http://www.LouisianaRebuilds.info)

Written comments on the Proposed Action Plan amendment may be submitted beginning today and must be received no later than 3 days from this date. Comments may be mailed to Office of Community Development, Post Office Box 94095, Baton Rouge, Louisiana 70804-9095 or sent via facsimile at (225) 342-1947. Comments may also be submitted online at [www.LouisianaRebuilds.info](http://www.LouisianaRebuilds.info) website.

**Vietnamese:**

Bản Công Báo này và bản câu hỏi liên quan đến câu bằng tiếng Tây Ban Nha/Tiếng Việt trên internet tại: [www.doa.la.gov/cdbg/dractionplans.htm](http://www.doa.la.gov/cdbg/dractionplans.htm).

**Spanish:**

Este Aviso y todo documento relacionado se encuentra disponibles en español y vietnamita en Internet en: [www.doa.la.gov/cdbg/dractionplans.htm](http://www.doa.la.gov/cdbg/dractionplans.htm).